

1 MICHAEL C. FALLON, SBN 088313  
2 MICHAEL C. FALLON, JR., SBN 303082  
3 100 E Street, Suite 219  
4 Santa Rosa, California 95404  
5 Telephone: (707) 546-6770  
6 [mcfallon@fallonlaw.net](mailto:mcfallon@fallonlaw.net)  
7 [fallonmc@fallonlaw.net](mailto:fallonmc@fallonlaw.net)

8 Attorneys for Debtor

9 UNITED STATES BANKRUPTCY COURT  
10 NORTHERN DISTRICT OF CALIFORNIA

11 In Re: Case No. 25-10088 WJL

12 Kingsborough Atlas Tree Surgery, Inc. Chapter 11

13 Debtor.

14 DEBTOR'S SUPPLEMENTAL  
15 RESPONSE TO OBJECTION TO SALE  
16 OF PERSONAL PROPERTY

17 Date: June 3, 2025

18 Time: 9:30 am

19 Ctrm: 1300 Clay Street, Room 220

20 Oakland, CA 94612

21 Video Conference

22 Anvil's objection to the sales, the only objection, needs to be put into perspective.

23 In June of 2023, the Debtor entered an Asset Purchase Agreement with Anvil Builders  
24 wherein the Debtor agreed to sell its entire business, commercial and residential tree service, to  
25 Anvil Builders in consideration for Anvil's agreement to pay the Debtor a percentage of profits.  
26 In January of 2025, following Anvil's breach of the Asset Purchase Agreement, the Debtor filed  
27 its Complaint for Damages and Injunctive Relief in the Superior Court for the County of  
28 Sonoma. The Chapter 11 was filed in February of 2025 to give the Debtor a vehicle to pay the  
creditors it could not pay due to Anvil's breach.

The Debtor gave notice of the four proposed sales that total almost \$430,000 to the nearly

1 one hundred creditors and there was no objection. The only party to object was Anvil, the party  
2 that caused the Chapter 11 to be filed, and the party who is a defendant in a lawsuit brought by  
3 the Debtor that will do what it can to interfere with the Debtor's efforts in this Chapter 11.

4 Anvil has claimed that it owns the residential customer list the Debtor proposes to sell to  
5 Davey Tree that will, if approved, pay \$200,000 to further reduce the Debtor's two million dollar  
6 debt to Commercial Credit Group. Anvil has made this claim without providing proof that it  
7 owns the customer list and without acknowledging that Commercial Credit Group has a security  
8 interest in the customer list.

9  
10 The dispute with Anvil should not hold up sales that benefit the creditors. If Anvil  
11 intends to assert an ownership interest in the customer list and to acknowledge Commercial  
12 Credit Group's security interest, the solution should be to approve the sale with the disputed  
13 claim to attach to the sale proceeds. If Anvil is of the opinion the customer list has a value greater  
14 than \$200,000 and Anvil wants an opportunity to pay more than \$200,000, the Debtor requests  
15 that the court set an auction sale.

16 Similarly, if Anvil is of the opinion the Debtor is selling the equipment at below market  
17 and Anvil wants to overbid the sale price at which the equipment has been offered, the Debtor  
18 requests that the court set an auction sale.

19 What Anvil should not be allowed to do is hold up sales that benefits creditors.  
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21 Dated: May 30, 2025

*/s/ Michael C. Fallon*

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Michael C. Fallon  
Attorney for Debtor  
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